

0004

C/025/005
Incoming OK

Dana

**Alton Coal Development, LLC**

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February 13, 2008

John R. Baza
Division Director
Department of Natural Resources
Utah Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Salt Lake City, UT 84114

Re: Coal Hollow Project, Kane County, Utah, C/025/0005

Dear Mr. Baza:

On January 24th, 2008 Alton Coal Development (ACD) formally submitted a package to the Division containing deficiencies for permit application C/025/0005 to surface mine coal in Kane County, Utah. This submittal was in response to the Administrative Completeness Review (ACR) prepared by the Division in late August 2007. The ACD project team worked diligently to provide the information requested by the ACR in a timely and precise manner. The package provided includes additional vegetation sampling, a soil survey and an Alluvial Valley Floor evaluation. All the field work and reports were completed in approximately a four month period and provided to the Division in an orderly package for ease of review.

At the Utah Coal Industry and Division meeting held last week in Price, ACD was informed that Ms. Pamela Grubaugh-Littig, the assigned permit supervisor, is retiring at the end of this month. ACD was also informed at this meeting that review of the deficiencies submittal has not yet began and that the ACR for the deficiencies submittal may take until March 21st. ACD is concerned that a transition period related to supervision may occur which could delay processing of the application. Current coal market conditions have resulted in potential sources for ACD coal that may be available in summer of this year. A delay in application processing that extends final application approval past the summer months could close this critical window of opportunity.

ACD appreciates any time you could take to review the status of this application and the priority level that it has been assigned in your management system.

Sincerely,

Chris R. McCourt, Manager, P.E.

Cc: Mary Ann Wright, DOGM
Robert C. Nead, ACD

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